

Dept. of Archives & History
State of Mississippi

ST. PE'

Chronicle Star POINT ADVERTISER

D MOSS POINT, MISSISSIPPI, FRIDAY, SEPTEMBER 19, 1958

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NO. 65

TIDE TABLE (Mouth Pascagoula River)

DAY	HIGH	LOW
Sep. 19.	8:20 a.m.	4:17 p.m.
Saturday	4:24 a.m.	1:18 p.m.
Sunday	8:59 a.m.	4:31 p.m.
Monday	7:11 a.m.	5:22 p.m.

On \$104,000 Armory

S Street Needs

Second Bond Issue Would Pay Gas Lines In \$875,000 Program

Details of work to be done by two proposed Pascagoula bond issues — totaling \$875,000 — were made public today.

Pascagoulans will vote on the issues — for gas system and street improvements — in an election Oct. 11.

Street work to be financed with an issue of \$550,000 would be:

- 1) Installation of curbs and gutters and resurfacing of all or parts of eight streets;
- 2) Resurfacing of 32 other streets;
- 3) Building of new bridges on Washington Avenue and at Parsley and 11th;
- 4) Installation of a new culvert to prevent flooding of S. Pascagoula at DuPont, and
- 5) Drainage improvements on four streets in the old Maritime area.

A \$325,000 issue for the gas system would finance 61,000 feet of new and replacement gas lines in the city.

A chief purpose of the gas system improvements would be to tie-in the city with the new system entering the Bayou Casotte industrial area.

Main project in the street plan would be curbing, guttering and resurfacing Washington Avenue from Market east to Beach Park. Identical work would be done on:

The entire length of Farnsworth Avenue; Shepard from Pascagoula to Buena Vista; Lafayette from Roosevelt to Pascagoula.

Sarrasin from Roosevelt to Pascagoula; DuPont from Pascagoula to Market and the entire length of Pine Street and Beach Avenue.

Resurfacing of streets west of Market would include:

St. Martin School Low Bid \$173,000

West County Center Addition Is Planned

A bid of \$173,800 was low among six proposals submitted by the county school board for additions to St. Martin School.

The bids are being studied by the board and its architects and a tentative construction contract will probably be awarded Monday, Superintendent A. C. Bilbo said today.

The low proposal was submitted by Brice Building Co., Birmingham.

Others were L. A. Easterling, Gulfport, \$175,500; Lang Construction Co., Pascagoula, \$178,801; McCleadan Building Service, Gulfport, \$179,000.

Frederic T. Hoffa, Gulfport, \$180,280; W. M. Craig, Gulfport, \$181,000, and Fred V. Rose, Gulfport, \$187,980.

Work involved includes construction of a new high school wing containing three classrooms, a home economics room, laboratory, library and office suite.

In addition, three new elementary classrooms will be added to the present building; a stage, band room and concession booth to the gymnasium.

Specifications called for completion of the work in 210 consecutive calendar days.

The buildings will be of brick exterior construction, Bilbo said. The low bid was within available funds, he added.

Proceeds from a recent county school district bond issue and allocations from the state educational

Moss Point Rolls Open For Public At City Building

Real and personal property assessment rolls for Moss Point and added school district territory are open for public inspection, city clerk T. J. Dickson said today.

Objections must be filed in writing at his office in City Hall on or before Sept. 30, Dickson said.

They will be considered by the board of mayor and aldermen starting at 7 p.m. Sept. 30 and at subsequent recessed meetings if necessary, he added.

Assessments to which no objections are filed will be considered final.

\$1.75 A Bushel Paid For Slash Cones By Forest Service

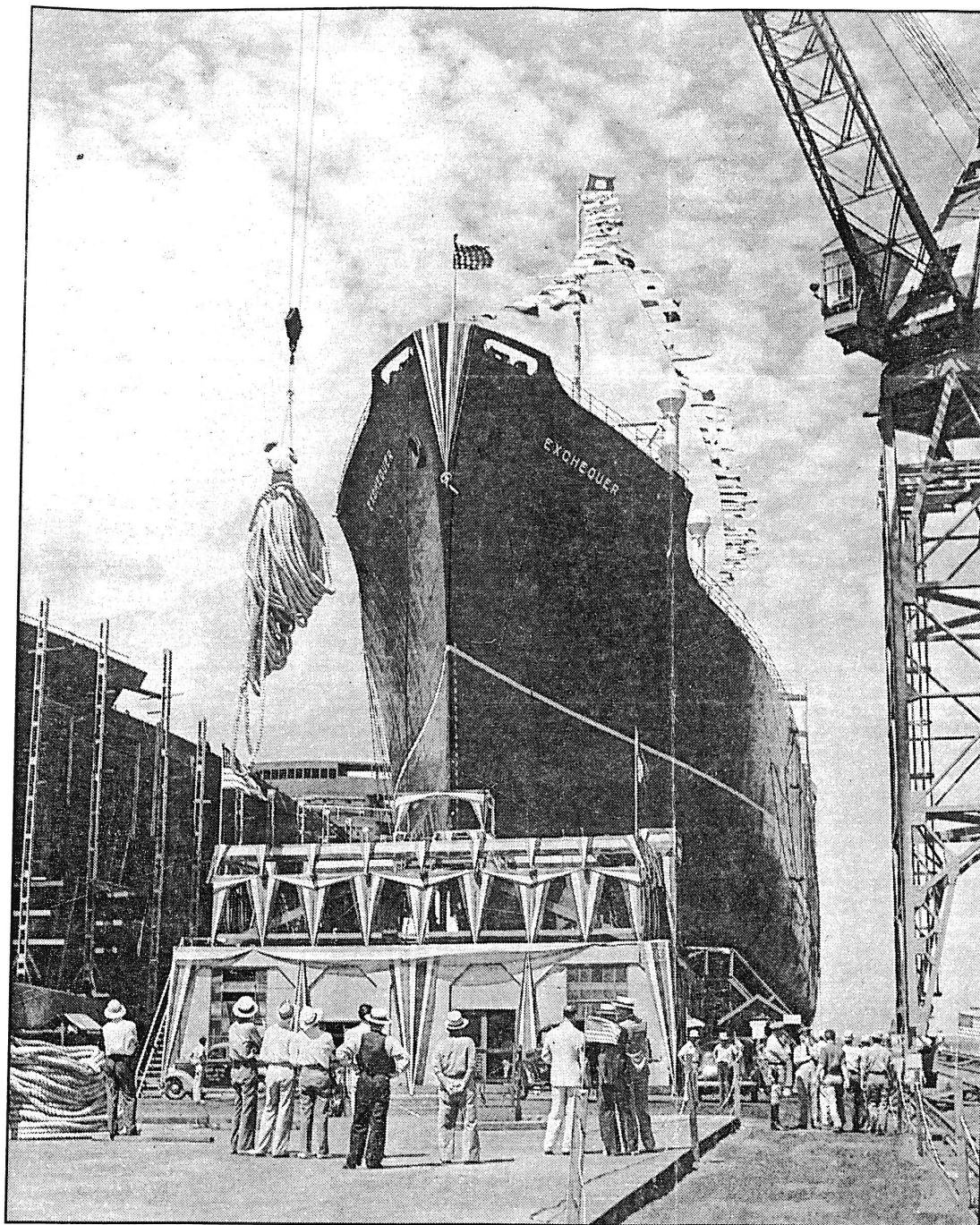
Area Forester R. H. Miller announced today that Mississippi Forestry Commission in Jackson County has begun purchasing slash pine cones to obtain seed for planting in nurseries for future seedlings.

Anyone planning to collect cones should first ask Miller for qualifications concerning amounts needed and type desired to avoid possible misunderstanding, Miller said.

Cones will be delivered to Hill-

Rules Announced For Cattle Events At County's Fair

C. M. (Kip) Dees, in charge of livestock, poultry and crops for



SUBMITTED PHOTO

The SS Exchequer, the first ship built at Ingalls Shipbuilding in Pascagoula, looms large. The cargo ship, which was launched in October 1940, was the first with steel plates on its hull welded end to end, rather than overlapping plates riveted together. In its 62 years, Ingalls has built more than 300 ships for military and commercial use.

Its thousands of workers have designed and built more than 300 ships during six decades of war and peace.

Today, with a major expansion under way and new orders for cruise ships and advanced Navy vessels, it's impossible to imagine the Coast without . . .

THE INGALLS FACTOR

By TIMOTHY BOONE
THE SUN HERALD

PASCAGOULA — Francis Hutchinson remembers the impact the place had when it opened. Before Ingalls Shipbuilding came along, Pascagoula was a sleepy town, where working men had few options.

"Three of the streets around here were made out of shell when Ingalls opened," Hutchinson, 77, said over coffee one morning at Sav Rex Pharmacy on Market Street, where old-timers come for breakfast and conversation. "Ingalls brought a lot of money to the Mississippi Coast."

Ingalls brought a lot of money to the Hutchinson family. Before Ingalls opened in 1938, Hutchinson's father, Lee, toiled at a veneer mill, supporting a wife and seven children on 11 cents an hour.

"When Ingalls opened, he went to work out there," Hutchinson said. "He started making 39 cents an hour, driving in pilings."

From the time it opened, Ingalls Shipbuilding in Pascagoula has been the centerpiece of the Coast industrial scene. It is the state's largest private employer with almost 11,000 workers, far more than the few hundred who were there when the yard opened in 1939.

Over the years, the work at the yard has evolved with the changing needs of the defense industry and technology. Ingalls has built an international reputa-

Please see Ingalls, A-8

Inside



St. Pé

Jerry St. Pé:
From scoops to
subs, D-1

Longtime
employee keeps
on working, A-8

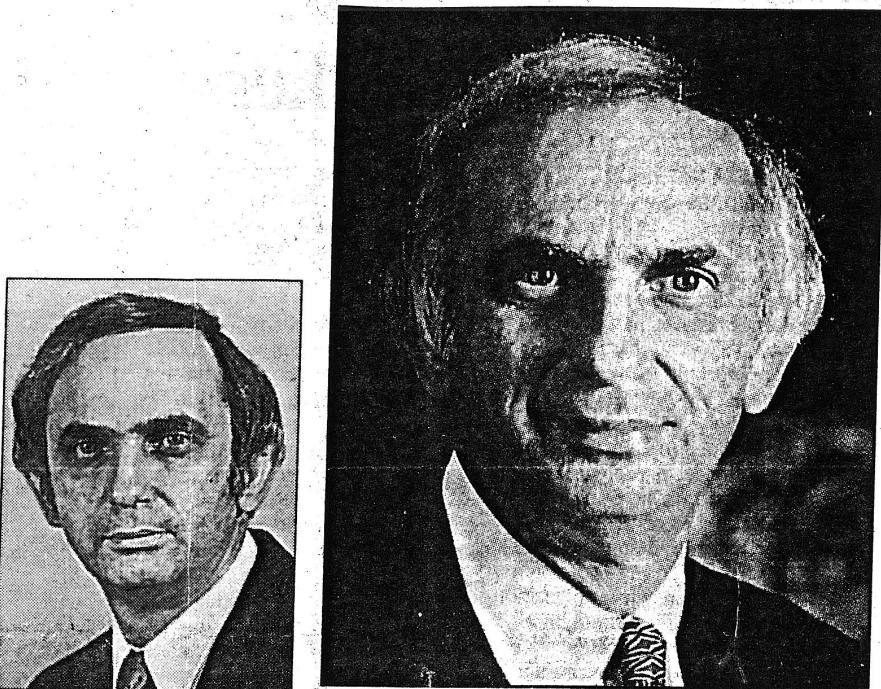
Major expansion
under way, A-9

Notable dates in
Ingalls history,
A-8

INFORMATION FOR LIFE



Jerry St. Pé in 1986, the year after becoming president of Ingalls Shipbuilding in Pascagoula.



St. Pé

SUBMITTED PHOTO

VP steers Ingalls through change

By TIMOTHY BOONE
THE SUN HERALD

At 62, Ingalls still anchors Coast economy, A-1

Longtime employee keeps on working, A-8

Notable dates in Ingalls history, A-8

Major expansion under way, A-9

In 40 years, Jerry St. Pé has gone from writing about Ingalls Shipbuilding for the local newspaper to overseeing the 62-year-old yard, considered one of the "Big Six" in the United States.

St. Pé, 61, is executive vice president for California-based Litton Industries and chief operating officer of Litton Ship Systems, which includes Ingalls Shipbuilding in Pascagoula and Avondale Industries in New Orleans. Litton Ship Systems was formed last year, and St. Pé got the top job after 14 years as president of Ingalls.

The New Orleans native came to the Coast in 1958 as a reporter with the now-defunct Chronicle Star in Pascagoula. One of his first assignments was covering the launch of the SS Brasil at Ingalls, one of the last cruise ships built in this country.

Forty-two years later, St. Pé is guiding Ingalls as the company re-enters the business of building cruise ships and begins a high-profile repair job on the USS Cole, which was damaged in a terrorist attack Oct. 12 in

In March 1999, the company signed a deal with American Classic Voyages to build two cruise ships, with an option for a third. Construction of the first ship started in July, and it should be completed by early 2003. The deal has a potential value of \$1.4 billion.

In 1961, St. Pé joined Ingalls as a member of the public relations staff. Through hard work and a knack for getting things done, St. Pé rose through the ranks, becoming public relations director in 1971 and vice president for public and industrial relations in 1975.

In 1998, the Navy League, a 70,000-member civilian organization that supports the maritime military, honored St. Pé at a black-tie banquet in Washington, D.C., presenting him with the Chester W. Nimitz Award for leadership in the shipbuilding industry and contributions to improve the Navy's strength.

St. Pé, with his still-noticeable New Orleans accent, modestly deflected the spotlight from his accomplishments and back to his employees during a

Jerry St. Pé Q&A

Q How do you go from a job as a newspaper reporter to a chief executive at the one of the nation's top shipbuilders?

A Someone told me a long time ago, when you're leading a charge, make sure you have a good cavalry behind you because you can't fight many Indians with a bugle. Whatever success I've experienced has been the result of having an extraordinarily strong and dedicated management team. When I look at the success of our company and think about it in terms of my own good fortune, I'm not confused where the credit goes. The credit goes to the men and women who build ships — and that's not just rhetoric on my part. I've never been confused by it. I'm surrounded by extraordinarily dedicated, competent people.

Q What is your role in the company's new structure and how does Ingalls fit in?

A The shipbuilding industry has been a major part of

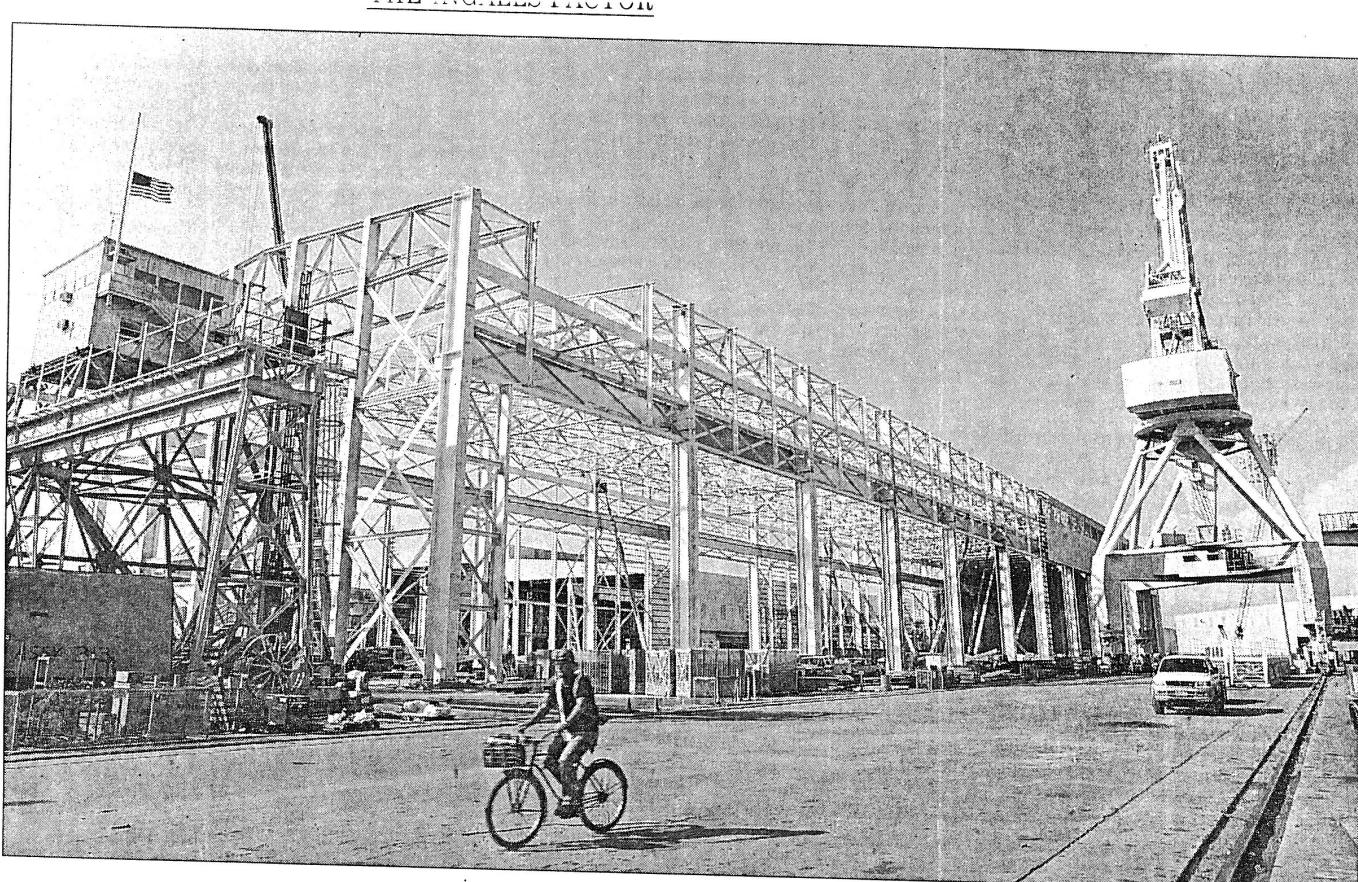
Litton from the very beginning of Ingalls' association with the company, which goes back to 1961. In more recent times, the shipyard has been 35 percent to 40 percent of the entire corporation (in terms of revenue), so shipbuilding has long been a major element of corporate business. The formation of Litton Ship Systems, the acquisition of Avondale in August 1999 and the formation of our third company, the Full Service Center, basically has taken businesses that are shipbuilding-related and packaged them into one organization that reports to the corporation. I'm basically dual-hatted in my current responsibility. I'm an officer of the corporation, and I also have corporate management responsibility for our shipbuilding businesses. Shipbuilding has a large profile within Litton. As a result, we've always had a very, very strong relationship with the corporate offices.

Please see St. Pé, D-12



Jerry St. Pé, far left and then-Defense Secretary Dick Cheney watch as Cheney's wife, Lynne, christens the USS Essex at Ingalls Shipbuilding in 1991. The Cheney daughters, from left, Elizabeth and Mary, assisted at the ceremony.

SUBMITTED PHOTO



An employee bicycles past part of a \$130 million expansion at Ingalls. The project, which should be finished by May, includes covering 477,000 square feet of work space and installing a crane that's 329 feet tall. It marks the first major expansion at Ingalls in more than 30 years.

JAMES EDWARD BATES/THE SUN HERALD

Did you know?

306

■ Number of ships built at Ingalls since the shipyard opened.

■ Breakdown of work force — 60 percent of employees live in Jackson County; 17 percent in Mobile County, Ala.; 8 percent in Harrison County; 7 percent in George County; 4 percent elsewhere in Mississippi; 3 percent elsewhere (mostly Louisiana and Florida); 1 percent live elsewhere in Alabama.

\$447M

■ Annual gross payroll.

■ Things Ingalls has built besides ships, submarines and barges — rail cars, locomotives, highway tunnels and sections of the Saturn rocket.

23%

■ Percentage of Ingalls-built ships in the U.S. Navy fleet, including 48 percent of all surface combatants and 33 percent of all amphibious ships.

Elvis' dad

■ Father of American "royalty" who once worked at Ingalls — Vernon Presley, Elvis Presley's daddy, for a short time in the 1940s, when the young King of Rock 'n' Roll lived in Pascagoula.

■ Annual utility bills — \$7.7 million for electricity, \$2 million for telephones, \$1.2 million for industrial gases and \$350,000 for natural gas.

— COMPILED BY TIMOTHY BOONE

ever handled that many workers.

The politics of shipbuilding

Spending cuts hit the defense industry like a hammer in the early 1990s, but employment at Ingalls remained strong.

According to the Bonn International Center for Conversion, which monitors defense jobs worldwide, from 1989 to 1995 defense contracting jobs in the United States dropped from 3.3 million to 2.2 million. The Bureau of Labor Statistics reports over that same period the number of shipbuilding jobs dropped by 21,000 jobs. But at that time in Pascagoula, average annual employment at Ingalls actually rose by almost 3,000 jobs, from 10,822 workers to 13,661.

Ingalls has thrived by diversifying the

vessels it produces, building barges and offshore supply vessels and partnering with other shipyards, such as Bath Iron Works in Bath, Maine, to build Aegis-class guided missile destroyers, said Cynthia L. Brown, president of the American Shipbuilding Association.

"They'll tell you, 'Thank heavens for the commercial work or we would have been forced to lay off quite a few people,'" Brown said. "The trends make diversification necessary because there are so few ships ordered by the Navy."

Trent Lott's heavyweight political influence may also be a factor. Lott has always been proud of his ties to Ingalls and his many friends who work at the shipyard. And it certainly makes good political and economic sense to look after such a huge

employer in your own backyard. National critics have hit Lott for what they see as textbook examples of pork-barrel spending, such as Ingalls' contract to build a \$1.5 billion LHD-8, a large deck amphibious assault ship.

According to The Washington Post, neither the Department of Defense nor the Navy wanted the LHD because the Pentagon spends available money based on its priorities, which include raising pay for enlisted personnel.

Lott defends his actions, saying the Marine Corps wanted and needed the LHD-8 and that he has handwritten notes from two commandants, making the case that the assault ship was vital to the Corps's future.

"I'll take some national criticism," Lott said. "People in Jackson County on the Gulf Coast and the Navy don't seem to mind."

St. Pé said Lott levels the playing field for Ingalls and allows the shipyard to compete on the basis of quality and efficiency.

Analysts also note that competing shipyards have a bit of political influence of their own. For example, Defense Secretary William Cohen is from Maine, where Bath Iron Works is located.

"It doesn't hurt to have the senatorial leader from the same part of the state as your business," said Pierre Chao, who monitors the defense industry for Credit Suisse First Boston in New York City. "Sen. Lott can rightly and proudly take a certain amount of the credit for Ingalls, but there's a false impression that the day he moves on, the whole place falls apart."

Cruise ships and submarines

Ingalls is going back to the future by building cruise ships and negotiating to

Egyptians. The shipyard hasn't built a cruise ship in 42 years, a submarine in 26 years.

The \$1.4 billion contract to build two cruise ships (with an option for a third) for American Classic Voyages Co. is one of the biggest challenges Ingalls has undertaken, said the American Shipbuilding Association's Brown.

"The pressure's on them, because they're doing something brave and new. It's a first," she said. "Ingalls has to work to rebuild a supplier base to support this project."

Even if Ingalls is successful, the company faces obstacles in getting more cruise ship business, said Thomas M. Meagher, vice president of equity research for BB&T Capital Markets of Vienna, Va., a financial holding company that monitors performers in the defense electronics industry. The major cruise ship builders are in Norway, South Korea and Japan, where governments heavily subsidize construction.

"If you bid for work at a lower price than them, you'll never make any money," Meagher said.

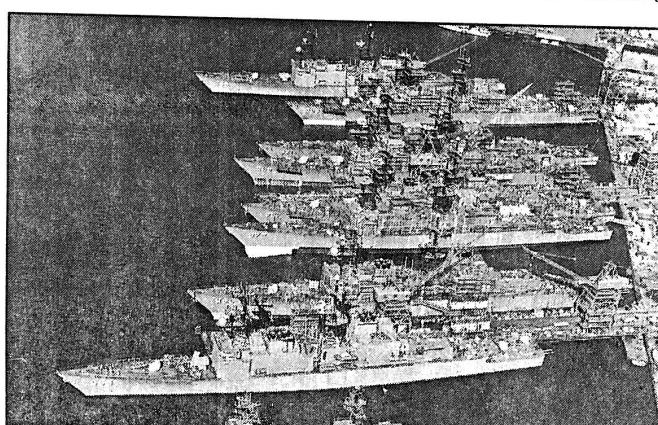
But St. Pé said a market for cruise ships exists outside the American Classic Voyages vessels and a design agreement underway with SeaAmerica Cruise Lines Inc.

"While we're encouraged by the prospects of the cruise ship program and we're meeting the milestones in the program, we aren't confused by the challenge that we face," St. Pé said. "But we believe it's a challenge worth taking on."

Ingalls and its supporters said they expect the company to carry on in the 21st Century as the manufacturing backbone of the Coast.

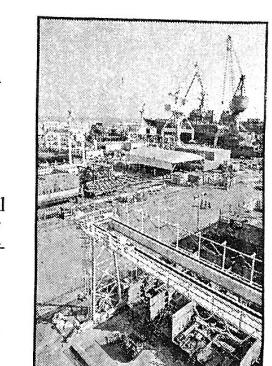
Katrina Bullock of Gautier, who is an apprentice electrician at Ingalls, said the Coast would be a lot different without the shipyard.

"There are so many people that come here to work from Alabama and Florida," she said. "There wouldn't be much here without Ingalls."



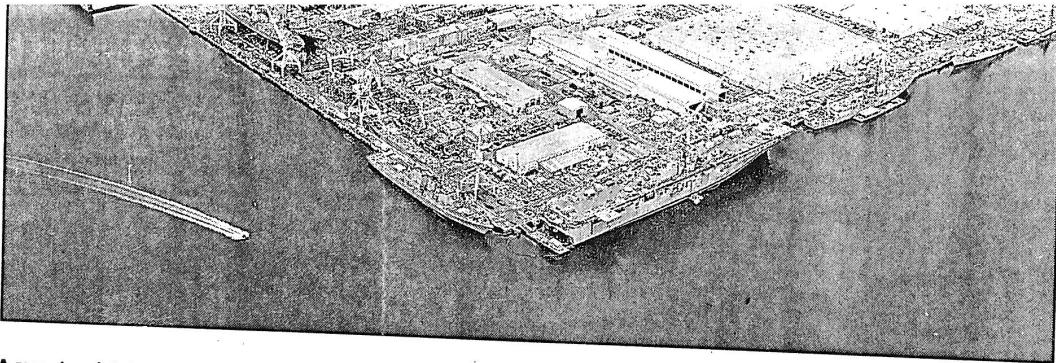
Destroyers line the docks at Ingalls Shipbuilding in this undated photo. The shipyard built 30 destroyers for the Navy in the late 1970s, setting peacetime production records.

SUBMITTED PHOTO



Ingalls Shipbuilding stays busy building a range of military and commercial vessels. Recently, the company landed a contract for a \$338 million Aegis destroyer and the \$150 million to \$175 million repair job on the USS Cole.

JAMES EDWARD BATES/THE SUN HERALD



A recent aerial view shows Ingalls Shipbuilding in Pascagoula, Mississippi's largest private employer. Over the years, Ingalls has had as many as 25,000 workers. Today, the work force numbers 11,000. The yard covers more than 700 acres.

SUBMITTED PHOTO

Ingalls

Continued from A-1

tion as a first-class and reliable manufacturer of ships. Along with building hundreds of ships, including destroyers, transport ships, guided missile cruisers and assault ships for the U.S. Navy, Ingalls has built war ships for the Israeli navy and is rebuilding frigates for the Venezuelan government.

Later this week, the yard will be back in the international spotlight as it prepares to make repairs on the USS Cole, which was damaged by a terrorist attack Oct. 12 at the port of Aden, Yemen. Seventeen crew members were killed in the attack, which left a ragged hole in the hull of the ship.

"Ingalls is a cornerstone of the United States defense industrial base," said Navy Secretary Richard Danzig. "Many of the great warships in today's operating fleet are Pascagoula products."

Ingalls workers revolutionized the U.S. shipbuilding industry twice. The first ship the company built had the first all-welded steel hull, eliminating the need for the millions of rivets that held together sheets of steel and added tons of extra weight to a vessel.

In the early 1970s, Ingalls dove into modular construction, assembling ships in massive sections, instead of building from a keel up, which reduced the amount of labor and allowed ships to be built assembly-line style. The company has also been a leader in using advanced computers to design and manufacture ships.

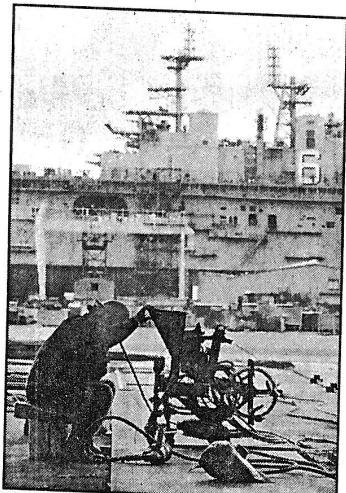
Today, Ingalls is the Navy's top maker of guided missile cruisers, destroyers and amphibious assault ships, although the yard is back in the business of building luxury cruise liners and may begin building submarines again in the next few years.

One of Ingalls' biggest fans and supporters over the years has been Senate Majority Leader Trent Lott, whose father worked at the yard and who, from the front porch of his home on Beach Boulevard, can see the cranes that hang over the shipyard like prehistoric creatures.

"Whenever things flare up for the Navy, usually the first ship to arrive was built in Pascagoula," Lott said. "The LHAs and LHDs (two different types of amphibious assault ships) are usually the first to get there with a contingent of Marines, before the aircraft carriers arrive, and two-thirds of those ships are built in Pascagoula."

The future appears to be bright for Ingalls. The company is in the middle of a \$130 million expansion, the first major expansion at the yard in more than 30 years. The project involves covering 477,000 square feet of existing work space — an area equal to almost nine football fields — and installing one of the world's largest gantry cranes.

"We're confident in what we're doing



THE SUN HERALD/FILE PHOTO
Kimble Brooks of Pascagoula operates a submerged arc welder at Ingalls Shipbuilding. Behind Brooks is the USS Bonhomme Richard, which was delivered to the Navy in May 1998.

here," said Jerry St. Pé, executive vice president for Litton Industries, Ingalls' parent company, and chief operating officer of Litton Ship Systems, which includes Ingalls Shipbuilding in Pascagoula, Avondale Industries in New Orleans and the Full Service Center support operations in Pascagoula.

"There are exciting opportunities in this business," St. Pé said.

The beginning

Shipbuilding was always a part of Pascagoula. The first wooden ship built there for the French Royal Navy was launched in 1718. Jean Lafitte, the famous pirate who was a hero in the Battle of New Orleans, built a trim, fast sailing ship in Pascagoula about 170 years ago.

The first shipyard in Pascagoula opened in 1838, when Ebenezer Clark began building 75-foot, flat-bottomed boats just above the mouth of the Pascagoula River. During World War I, the International Shipbuilding Co. opened a yard on the east bank of the Pascagoula River. After the war ended, the shipyard became a vocational school for veterans.

In 1938, Robert Ingersoll Ingalls, who had built steel tankers near Birmingham, Ala., came to Pascagoula looking for a site near deep water to open a new shipyard — a shipyard that would take pressure off his existing yard in Chickasaw, Ala., and allow him to compete for the government contracts he predicted would come out of Hitler's invasion of Poland.

Ingalls found what he was looking for in the spot that had been occupied by International Shipbuilding. The 160-acre site had a deep water channel, rail access and plenty

of room to grow.

After Ingalls contacted the Port of Pascagoula about the property, it took Jackson County officials a couple of weeks to set up a vote for a \$100,000 bond issue (equal to \$1.1 million in today's dollars) to fix up the shipyard. The bond issue passed and Ingalls Shipbuilding was incorporated as a company in November 1938.

Not long after the company was formed, Ingalls landed a contract to build the SS Exchequer, the first ship with an all-welded hull.

When the SS Exchequer was launched in June 1940, its seamless, slick hull could glide through the water. Not only could the ship move more quickly, but one welder could work faster than three or four riveters equipped with 40-pound air guns. The shipyard began to crank out cargo ships and passenger liners that took well-heeled travelers to South America.

After the United States entered World War II, Ingalls took off. Shipyard workers were busy around the clock, building escort aircraft carriers, submarine tenders, net layers and troop ships.

There were as many people working at Ingalls during the war as there are today, crammed into a yard that was more than 600 acres smaller than the current facility. The population of Pascagoula increased almost seven times between 1940 and 1945 as a flood of men and women came in to aid the war effort.

"I remember hearing during the war days that the people who worked at Ingalls had to live here in tents," said Pascagoula Mayor Joe Cole, who is a vice president of logistics for Litton's Full Service Center.

During the war, the shipyard built 61 vessels for the military — an average of one a month. Robert Ingalls' vision of a shipyard that would play an important role in the unprecedented American defense buildup for World War II had come true.

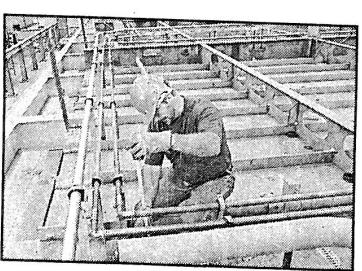
A new owner

After the war ended, Ingalls shifted gears and went back to building cargo ships and luxury liners. The last two cruise ships built in the United States, the SS Brasil and the SS Argentina, were launched from Ingalls in 1958.

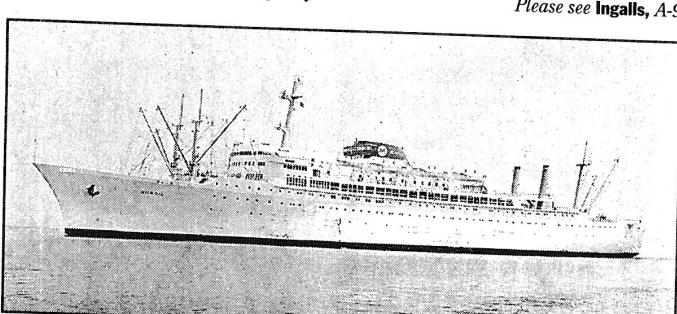
But the shipyard still had military contracts and in 1957 entered the atomic age by earning a contract to build 13 submarines, including 12 nuclear-powered attack submarines for the Navy.

Despite this commercial and military activity, the shipyard was falling on hard times. A long period of internal problems caused the shipyard to lose money. The company attempted to diversify, designing and building a locomotive and making prairies out of the Ingalls-owned Longfellow House. Both ventures failed.

In December 1961, San Carlos, Calif.-based Litton Industries bought the shipyard by assuming \$9 million of Ingalls'



JAMES EDWARD BATES/THE SUN HERALD
An employee works on the keel of one of two cruise ships being built by Ingalls for American Classic Voyages. They are the first cruise ships to be built in the United States since the SS Argentina, which was completed at Ingalls in December 1958.



SUBMITTED PHOTO
The SS Brasil, one of the last cruise ships built in the United States, was completed at Ingalls and delivered in September 1958. Litton executive Jerry St. Pé, then a young reporter, covered the launch for a Pascagoula newspaper. Some 30 years later, St. Pé became president of the shipyard.